COMMISSION BUSINESS MEETING
Tuesday, June 11, 2019, at 9:00am
AGENDA

I. CALL TO ORDER / PLEDGE OF ALLEGIANCE

II. EARLY PUBLIC COMMENT SESSION (TOTAL SESSION UP TO 20 MINUTES)

III. WORK SESSION
   A. MTIP Wash-Down Video
   B. Community Partner Presentations
   C. Marina Occupancy Report Update

IV. APPROVAL OF CONSENT AGENDA
   A. Commission Meeting Minutes – May 28, 2019...............................1-5
   B. Vouchers in the amount of $747,691.28.................................6

V. COMPLETION OF RECORDS
   A. May 2019 Monthly Delegation of Authority Report.........................7-19

VI. PLANNING AND CAPITAL PROJECTS

VII. LOG YARD
    No items

VIII. MARINE TRADES AND MARINE TERMINALS
    A. METS (Marine Equipment Trade Show) – November 19-22, 2019 ..........24-25

IX. PROPERTY
    A. Extension of Lease Agreement for Castaways.............................26-28
    B. New Lease Agreement for Dockside Grill.................................29-32

X. MARINAS
   No items

XI. AIRPORTS
   No items
XII. OTHER BUSINESS

XIII. COMMISSIONER REPORTS

XIV. PUBLIC COMMENTS SESSION (TOTAL SESSION UP TO 20 MINUTES)

XV. ITEMS NOT ON THE AGENDA

XVI. FUTURE AGENDA

XVII. NEXT MEETINGS

A. June 25, 2019 – Regular Commission Meeting

B. July 9, 2019 – Regular Commission Meeting

XVIII. UPCOMING EVENTS

A. June 11, 2019 - Tracking an Emerging Threat at Olympic Coast- 1 pm

B. June 22, 2019 – Airport Appreciation Day

XIX. BROWN BAG LUNCH AND OPEN DISCUSSION WITH THE COMMISSION (TIME PERMITTING)

XX. EXECUTIVE SESSION THE BOARD MAY RECESS INTO EXECUTIVE SESSION FOR THOSE PURPOSES AUTHORIZED UNDER CHAPTER 42.30 RCW, THE OPEN PUBLIC MEETINGS ACT.

XXI. ADJOURN
RULES FOR ATTENDING COMMISSION MEETING

• Signs, placards, and noise making devices including musical instruments are prohibited.
• Disruptive behavior by audience members is inappropriate and may result in removal.
• Loud comments, clapping, and booing may be considered disruptive and result in removal at the discretion of the Chair.

RULES FOR SPEAKING AT A COMMISSION MEETING

• Members of the public wishing to address the Board on general items may do so during the designated times on the agenda or when recognized by the Chair.
• Time allotted to each speaker is determined by the Chair and, in general, is limited to 3 minutes.
• Total time planned for each public comment period is 20 minutes, subject to change by the Chair.
• All comments should be made from the speaker’s rostrum and any individual making comments shall first state their name and address for the official record.
• Speakers should not comment more than once per meeting unless their comments pertain to a new topic they have not previously spoken about.
• In the event of a contentious topic with multiple speakers, the Chair will attempt to provide equal time for both sides.
COMMISSION BUSINESS MEETING
Tuesday, May 28, 2019, at 9:00am

MINUTES

I. CALL TO ORDER / PLEDGE OF ALLEGIANCE (0:00 – 0:20)

II. EARLY PUBLIC COMMENT SESSION (0:21 – 0:55)
None.

III. WORK SESSION (0:56 – 1:30:05)

A. Marine Terminal Chip Operations (1:00 – 8:50)
   • Presentation = Mike Nimmo
   • Video
   • Discussion (4:50 – 8:50)
   • No Action

B. Sequim Bay Yacht Club Update (8:51 – 15:57)
   • Presentation = Doug Schwartz
   • Power Point
   • Discussion (15:12 – 15:57)
   • No Action

C. Community Partner Presentations (15:58 – 1:30:05)
   • Port Angeles Downtown Association (15:59 – 24:20)
     o Bev Whitters
     o Power Point Presentation

   • Chamber of Commerce (24:21- 29:22)
     o Marc Abshire

   • Olympic Coast National Marine Foundation (29:23 – 38:42)
     o Carrol Burnthall, Melissa Williams
     o Power Point Presentation

   • Concerned Citizens (38:43 – 46:40)
     o Lynda Middleton
     o Power Point Presentation

   • North Olympic Discovery Marathon (46:41 – 52:55)
     o Victoria James
     o Power Point Presentation

   • Habitat for Humanity (52:56 – 1:01:22)
     o Colleen Robinson
     o Power Point Presentation
• Port Angeles Yacht Club (1:01:22 – 1:13:03)
  o Erica Hansen Dahlin
  o Power Point Presentation

• Sequim Log Show (1:13:04 – 1:19:00)
  o Dave Bekkevar

• Forks Timber Museum (1:19:01 – 1:25:48)
  o Linda Moffett
  o Handout

• Peninsula Trails Coalition (1:25:49 – 1:28:55)
  o Gordon Taylor

• Sequim Irrigation Festival (1:28:56 – 1:30:05)
  o Jen Wyatt

IV.  APPROVAL OF CONSENT AGENDA (1:30:06 – 1:36:00)
  A.  Commission Meeting Minutes
  B.  Commission Meeting Minutes
  C.  Vouchers in the amount of $191,385.37
      • Discussion: (1:32:33 – 1:33:10, 1:33:29 – 1:35:59)
      • Action: (1:33:11 – 1:33:28)
        o Motion to approve consent agenda: Comm. Burke
        o 2nd: Comm. McAleer
        o Vote: Unanimous (3-0)

V.  COMPLETION OF RECORDS (1:36:01 – 1:39:42)
  A.  First Quarter Operations Report
      • Presentation = Karen Goschen
      • Discussion (1:37:22 – 1:39:42)
      • No Action.

VI.  PLANNING AND CAPITAL PROJECTS (1:39:43 – 1:39:49)
  No items

VII. LOG YARD (1:39:50 – 1:39:53)
  No items
VIII. MARINE TRADES AND MARINE TERMINALS (1:39:54 – 1:39:59)

No items

IX. PROPERTY (1:40:00 – 1:44:40)

A. Peninsula College Lease
   - Presentation = John Nutter, Karen Goschen
   - Action (1:41:50 – 1:44:40)
     - Motion to approve lease agreement per terms in IFC = Comm. Beauvais
     - 2nd: Comm. McAleer
     - Vote: Unanimous (3-0)

X. MARINAS (1:44:41 – 1:49:18)

A. Authorizing the Sale of Abandoned Vessel “WN8805JC”
   - Presentation = John Nutter
   - Discussion (1:44:41 – 1:45:49)
   - Action (1:45:50 – 1:46:06)
     - Motion to approve Resolution No. 19-1193: Comm. Burke
     - 2nd: Comm. McAleer
     - Vote: Unanimous (3-0)

B. Authorizing the Sale of Abandoned Vessel “Enterprise”
   - Presentation = John Nutter
   - Discussion (1:44:41 – 1:45:49)
   - Action (1:45:50 – 1:46:06)
     - Motion to approve Resolution No. 19-1194: Comm. Burke
     - 2nd: Comm. McAleer
     - Vote: Unanimous (3-0)

C. Authorizing the Sale of Abandoned Vessel “WN1254JD”
   - Presentation = John Nutter
   - Action (1:45:50 – 1:46:06)
     - Motion to approve Resolution No. 19-1195: Comm. Burke
     - 2nd: Comm. McAleer
     - Vote: Unanimous (3-0)

XI. AIRPORTS

A. Wings of Freedom Proclamation (1:49:19 – 1:53:00)
   - Presentation = Dan Gase
   - Discussion (1:51:27 – 1:53:00)
   - Action (1:51:09 – 152:28)
Motion to proclaim June 19-21, 2019, Wings of Freedom Days: Comm. Burke  
2nd: Com. McAleer  
Vote: Unanimous (3-0)

XII. OTHER BUSINESS (1:53:01 – 1:53:26)
No items

XIII. COMMISSIONER REPORTS (1:53:27 – 2:08:35)
A. May 2019 City of Port Angeles Housing Action Plan Report
   • Presentation = Comm. Burke
   • Discussion (1:53:28 – 2:00:45)

B. Community Forrest Meeting / Olympic Collaborative / Solutions Table
   • Presentation = Comm. Beauvais
   • Discussion (2:00:46 – 2:06:05)

C. NODC (North Olympic Development Council) Meeting
   • Presentation: Comm. McAleer
   • Discussion (2:06:14 – 2:08:35)

XIV. PUBLIC COMMENTS SESSION (1:53:26 – 1:53:27)
No items

XV. NEXT MEETINGS (2:08:36 – 2:09:09)
A. June 11, 2019 – Regular Commission Meeting
B. June 25, 2019 – Regular Commission Meeting

XVI. UPCOMING EVENTS (2:09:10 – 2:13:56)
A. May 28, 2019 - Olympic Collaborative, Port Angeles
B. June 8-9, 2019 - Maritime Festival
C. June 11, 2019 - Tracking an Emerging Threat at Olympic Coast - 1 pm
D. June 22, 2019 – Airport Appreciation Day
XVII. BROWN BAG LUNCH AND OPEN DISCUSSION WITH THE COMMISSION

(2:12:48 – 2:12:49)
No items

XVIII. EXECUTIVE SESSION (2:13:57 – 2:14:59)

Actual Start Time:
• 11:20 a.m.

Discussion
• 1 Item: Pending Litigation
• 5 Items: Potential Litigation

Actual End Time:
• 1:20 p.m.

NO ACTION TAKEN

XIX. ADJOURN (2:15:00)

PORT OF PORT ANGELES
BOARD OF COMMISSIONERS

______________________________
Connie L. Beauvais, President

______________________________
Steven Burke, Vice President
I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the Port of Port Angeles, and that I am authorized to authenticate and certify to said claim.

**SUMMARY TRANSMITTAL May 24, 2019 – June 7, 2019**

<table>
<thead>
<tr>
<th>Description</th>
<th>410545</th>
<th>410650</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Accts Payable Checks (computer)</td>
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<td>$456,244.20</td>
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<tr>
<td>VOIED/ZERO PAYABLE CHECKS</td>
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<td></td>
<td>$-</td>
</tr>
<tr>
<td>Manual Checks</td>
<td></td>
<td></td>
<td>$-</td>
</tr>
<tr>
<td>VOIED MANUAL CHECKS</td>
<td></td>
<td></td>
<td>$-</td>
</tr>
<tr>
<td>Wire Transfer - St of WA - Business Licensing Svc</td>
<td></td>
<td></td>
<td>$-</td>
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<tr>
<td>Wire Transfer - Leasehold Excise Tax</td>
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<td></td>
<td>$-</td>
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<tr>
<td>Wire Transfer – (Excise Tax) $7688.91 tax 694.53 Penalties &amp; Interest</td>
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<td></td>
<td>$8,383.44</td>
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<td>Wire Transfer - PMA (Longshore Payroll) L&amp;I liabilities</td>
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<td></td>
<td>$-</td>
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<tr>
<td><strong>Total General Expenses and Construction</strong></td>
<td></td>
<td></td>
<td><strong>$464,627.64</strong></td>
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</table>

**Payroll**

<table>
<thead>
<tr>
<th>Description</th>
<th>201684</th>
<th>201697</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Payroll – Draws Checks</td>
<td></td>
<td></td>
<td>$-</td>
</tr>
<tr>
<td>Employee Payroll Checks</td>
<td></td>
<td></td>
<td>$21,086.05</td>
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<tr>
<td>Voided Payroll Check 201690, 201692, 201694, 201696</td>
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<td></td>
<td>$-</td>
</tr>
<tr>
<td>Voided Payroll Check - (Printed over in error)</td>
<td></td>
<td></td>
<td>$-</td>
</tr>
<tr>
<td>Employee Draw Checks PPD</td>
<td>803036</td>
<td>803078</td>
<td>$142,405.04</td>
</tr>
<tr>
<td>Employee Payroll Checks PPD (direct dep)</td>
<td></td>
<td></td>
<td>$-</td>
</tr>
<tr>
<td>Voided checks (stub overrun) 803026, 803030, 803037, 803048, 803067, 803070, 803072, 803074, 803077</td>
<td></td>
<td></td>
<td>$-</td>
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<tr>
<td>Wire Transfer – (Payroll Taxes, Retirement, Deferred Comp, L&amp;I, OASI)</td>
<td></td>
<td></td>
<td><strong>$119,572.55</strong></td>
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<tr>
<td><strong>Total Payroll</strong></td>
<td></td>
<td></td>
<td><strong>$283,063.64</strong></td>
</tr>
<tr>
<td><strong>Total General Exp &amp; Payroll</strong></td>
<td></td>
<td></td>
<td><strong>$747,691.28</strong></td>
</tr>
</tbody>
</table>

Date: June 7, 2019

_____________________________  ______________________________
Port Representative     Port Representative

______________________________  ______________________________
Commissioner, Steven D. Burke

______________________________
Commissioner, Connie Beauvais

______________________________
Commissioner, Colleen McAleer
SUBJECT: REPORTS REQUIRED UNDER THE PROVISIONS OF THE DELEGATION OF AUTHORITY

<table>
<thead>
<tr>
<th>REPORT</th>
<th>NO ACTION</th>
<th>ATTACHED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Month to Month Leases, Renewals/Options, Assignments and Subleases Executed</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Lease Bond, Rental Insurance Deviations</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Work Contracts ($50,000 or less) Executed</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Work Contracts Completed</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Change Orders Authorized</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Work by Port Crews or Day Labor ($50,000 or less)</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Claims Settled (under $7,500)</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Professional &amp; Consulting Services Awarded and Architectural, Engineering &amp; Technical Services Awarded</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Fees Waived</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Uncollectible Accounts Written Off</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Experts Engaged for Litigation</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Travel Outside WA, OR, ID and BC, Canada</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>
### LEASES, RENEWALS and OPTIONS EXECUTED

(In Accordance with Delegation of Authority)

**May 2019**

<table>
<thead>
<tr>
<th>TENANT NAME</th>
<th>DOCUMENT</th>
<th>LOCATION</th>
<th>FORM OF SURETY</th>
<th>ACREAGE/SQ FOOT</th>
<th>TERM</th>
<th>MONTHLY RENT</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRTC</td>
<td>New EDA Approved Term Lease</td>
<td>2220 W. 18th Street</td>
<td>Waived</td>
<td>18,500 sf with 1,400 sf shared space</td>
<td>13 Years w/ 2 ten-year renewals</td>
<td>$8,985.60/mon</td>
<td>Replaces month-to-month lease</td>
</tr>
<tr>
<td>Nickel Bros., Inc.</td>
<td>Temporary License Agreement</td>
<td>Use of T6 and land west of logyard between T6 and Marine Drive</td>
<td>n/a</td>
<td>Approx.56,000 sf</td>
<td>May 16 &amp; 17, 2019</td>
<td>$373.67 on time fee</td>
<td>Moving house</td>
</tr>
</tbody>
</table>

**Leases of One Year or Less Approved by Executive Director**

---

*In accordance with the Delegation of Authority (Res. 17-1158 dated 10-16-2017) Section 1D, “…the Executive Director is authorized to issue dockage agreements, berthage agreements, tariffs and tariff amendments as necessary, provided that dockage agreements and berthage agreements shall be for a term of one year or less and shall be at reasonable market rates for similar uses.*
**WORK CONTRACTS EXECUTED BY THE EXECUTIVE DIRECTOR**  
(In Accordance with Delegation of Authority)  
**MAY 2019**

<table>
<thead>
<tr>
<th>NAME OF CONTRACTOR</th>
<th>DESCRIPTION OF WORK</th>
<th>PROCUREMENT METHOD</th>
<th>ESTIMATED COST OF PROJECT</th>
<th>OTHER CONTRACT TERMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>KD&amp;S Environmental, Inc.</td>
<td>Asbestos Abatement - 2602 W 18th St.</td>
<td>Less than 40K, No Bid</td>
<td>$7,366.27</td>
<td>5/28/19 – 6/27/19</td>
</tr>
</tbody>
</table>

**Procurement Methods**

**Less than 40K, No Bid - RCW 53.08.120.2(c)**
- Under $40,000
- Prepare engineer estimate
- No advertisement required
- Solicit quote from responsible contractor
- *P/P bonds can be waived
- Retainage required
- Payment of prevailing wages

**Competitively Bid/Advertised Public Works**
- Over $300,000 (but can be used for smaller projects)
- If Payment of prevailing wages
- Formal advertisement
- Bid guarantees
- Sealed bids
- Public bid opening
- *P/P bonds required
- Retainage required
- Payment of prevailing wages

**Small Works Roster**
- Under $300,000
- Bid guarantees optional
- Electronic, faxed, or telephone quotes allowed
- Informal bid opening(s)
- *P/P bonds may be required
- Retainage required

*For contracts under $150k, performance and payment bonds may be waived and then a retainage of ten percent held for 30 days after date of final acceptance, or until receipt of all necessary releases from state agencies (RCW 39.08.010(3)).*
# Professional & Personal Services

**Awarded by the Executive Director**

(In Accordance with Delegation of Authority)

May 2019

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Krazan &amp; Associates, Inc.</td>
<td>Boat Yard Fabric Building – Construction Testing &amp; Inspection</td>
<td>$2,140</td>
<td>N/A</td>
</tr>
<tr>
<td>Smith &amp; Stark</td>
<td>Communications Implementation</td>
<td>$10,000</td>
<td>N/A</td>
</tr>
</tbody>
</table>
Consultant Services Selection Summary

Type of Contract: ☐ Personal ☒ Professional ☐ Sole Source ☐ Emergency

Res 14-1076: Executive Director authorization shall not exceed $50,000. Change orders: original cost and all change orders shall not exceed $50,000. All closely related contracts shall not exceed $50,000.

Sole Source personal service contract $50,000 or more: requires Commission to ensure reasonable costs.

$50,000 to $150,000 requires evidence of competitive process

Over $150,000 formal competitive solicitation; requires RFP/RFQ

Non-Competed requires Commission approval to exempt a contract from a competitive process

<table>
<thead>
<tr>
<th>1. Project Title</th>
<th>Boat Yard Fabric Building – Construction Testing &amp; Inspection</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Approved Contract Amount</td>
<td>$2,140</td>
</tr>
<tr>
<td>4. SubAccount/GL Account #</td>
<td>15-1-08-C0</td>
</tr>
<tr>
<td>5. Budget &amp; Fund Source</td>
<td>Capital Budget</td>
</tr>
<tr>
<td>6. Project Manager</td>
<td>Chris Rasmussen</td>
</tr>
<tr>
<td>7. Other Terms: (sales tax)</td>
<td>Not Applicable (NA)</td>
</tr>
<tr>
<td>8. Closely Related Contracts</td>
<td>NA</td>
</tr>
<tr>
<td>9. Fed Funding Requirement*</td>
<td>NA</td>
</tr>
</tbody>
</table>

*If federal funding involved, stop and contact Engineering Department for federal requirements. Requires an RFP.

10. Justification

The City of Port Angeles requires third party expert/professional testing and inspections of construction projects per their building permits.

11. Scope of Services

Summer of 2019 the Port will be constructing a fabric building at the PA Boat Yard. Krazan will inspect and conduct tests on foundation soil compaction and structure anchor bolts. This agreement also includes $1,000 contingency services for additional inspection and testing services for this project, as directed by the Port project manager.

12. Contract Time

| Start Date: May 21, 2019 | Completion Date: May 31, 2020 |

The actual inspection work should take 2 to 3 days and will be conducted in the summer of 2019 as directed by Port.

13. Explanation of Cost, Work Schedule, and Contingency

The project cost is in line with the scope of work.
### 14. Procurement Schedule – Key Milestone Dates

| NA |

### 15. Authorized Contract Amount and Any Authorized Contingency

| $2,140 |

**Selection Requirements:**

### 16. Evaluation Team Members

*Jesse Wakanitz, Environmental Manager*

### 17. Proposals Evaluation/Summary

Port staff reviewed three separate consultant qualification listed on the MRSC roster under category Material Inspection & Testing. The Port selected Krazan as the most qualified.

### 18. Interviews Summary (if conducted)

| NA |

### 19. References Summary

| NA |

### 20. Negotiations Summary

| NA |

### 21. Selection Summary

Port staff reviewed three separate consultant qualification listed on the MRSC roster under category Material Inspection & Testing. The Port selected Krazan as the most qualified.
The selection team members affirm that they do not have a conflict of interest with any of the firms evaluated or key personnel of any of the firms, and that the selection process followed Port Consultant Services Procurement Policy and Procedure.

<table>
<thead>
<tr>
<th>SIGNATURES</th>
<th></th>
<th>Selection team member (if needed)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Manager</td>
<td>date</td>
<td></td>
<td></td>
</tr>
<tr>
<td>[Signature]</td>
<td>5/21/19</td>
<td>[Signature]</td>
<td></td>
</tr>
<tr>
<td>Selection team member (if needed)</td>
<td>date</td>
<td>Engineering Director</td>
<td>date</td>
</tr>
<tr>
<td>[Signature]</td>
<td>5/21/19</td>
<td>date (Required for public work, professional, and grant funded contracts)</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Commission Approval</th>
<th></th>
<th>Master Policy Report Date: Report for May 2019</th>
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</thead>
<tbody>
<tr>
<td>Required</td>
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</tr>
<tr>
<td>□ Required</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not Required</td>
<td></td>
<td></td>
</tr>
<tr>
<td>□ Not Required</td>
<td></td>
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</tr>
</tbody>
</table>

Scheduled Commission Meeting: __________
Approved Commission Meeting: __________
Consultant Services Selection Summary

Type of Contract:  
- [x] Personal  
- [ ] Professional  
- [ ] Sole Source  
- [ ] Emergency

Res 14-1076: Executive Director authorization shall not exceed $50,000. Change orders: original cost and all change orders shall not exceed $50,000. All closely related contracts shall not exceed $50,000.

☐ Personal Service Change Orders: Commission notice if more than 50% of original contract or Commission approval if cumulative change orders are more than $50,000 or 10% of original approved amount. (RCW 53.19.060)

☐ Sole Source personal service contract $50,000 or more: requires Commission to ensure reasonable costs.

☐ $50,000 to $150,000 requires evidence of competitive process

☐ Over $150,000 formal competitive solicitation; requires RFP/RFQ

☐ Non-Competed requires Commission approval to exempt a contract from a competitive process

<table>
<thead>
<tr>
<th>1. Project Title</th>
<th>Communications Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Consultant</td>
<td>Smith &amp; Stark</td>
</tr>
<tr>
<td>3. Approved Contract Amount</td>
<td>$10,000</td>
</tr>
<tr>
<td>4. SubAccount/GL Account #</td>
<td>Admin and Bus Dev/Outside Services</td>
</tr>
<tr>
<td>5. Budget &amp; Fund Source</td>
<td>$30,000 Total: $15,000 Admin; $15,000 Bus Dev</td>
</tr>
<tr>
<td>6. Project Manager</td>
<td>Karen Goschen</td>
</tr>
<tr>
<td>7. Other Terms: (sales tax)</td>
<td>no</td>
</tr>
<tr>
<td>8. Closely Related Contracts</td>
<td>Yes. They are currently working on defining the overarching communication strategy of the Port.</td>
</tr>
<tr>
<td>9. Fed Funding Requirement*</td>
<td>no</td>
</tr>
</tbody>
</table>

*If federal funding involved, stop and contact Engineering Department for federal requirements. Requires an RFP.

10. Justification

Professional services are needed to augment staff knowledge to develop communication materials for specific projects and issues.

11. Scope of Services

Advise and assist the Port on various communication issues:
- Assist the Port in evaluating its positions and strategies
- Assist the Port in understanding constituent views
- Assist the Port on communications related to specific issues

12. Contract Time

| Start Date: 5/1/19 | Completion Date: 12/31/20 |

13. Explanation of Cost, Work Schedule, and Contingency

Flat project fee of $10,000.
### 14. Procurement Schedule – Key Milestone Dates

n/a

### 15. Authorized Contract Amount and Any Authorized Contingency

n/a

**Selection Requirements:**

**16. Evaluation Team Members**

Karen Goschen

**17. Proposals Evaluation/Summary**

n/a

**18. Interviews Summary (if conducted)**

Telephone interviews conducted by Karen Goschen of several consultants.

**19. References Summary**

Bruce Beckett, The Beckett Group

**20. Negotiations Summary**

n/a

**21. Selection Summary**

n/a

The selection team members affirm that they do not have a conflict of interest with any of the firms evaluated or key personnel of any of the firms, and that the selection process followed Port Consultant Services Procurement Policy and Procedure.

**SIGNATURES**

[Signatures]

Project Manager

date: 5/24/19

Selection team member (if needed)

date:

---

Attachment A

Consultant Services Selection Summary

Page 2 of 3

April 18, 2017
Selection team member (if needed)  date

Commission Approval  □ Required

Scheduled Commission Meeting: _________

Approved Commission Meeting: _________

Engineering Director  date (Required for public work, professional, and grant funded contracts)

☒ Not Required

Master Policy Report Date:
CUSTOMER FEES WAIVED BY MANAGEMENT
(In Accordance with Fee Waiver Resolution #17-1156)

May 2019

<table>
<thead>
<tr>
<th>CUSTOMER</th>
<th>REASON FOR WAIVER</th>
<th>AMOUNT OF WAIVER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maritime Festival</td>
<td>Moorage at Port Angeles Boat Haven</td>
<td>$1,780</td>
</tr>
<tr>
<td>Sequim Bay Yacht Club</td>
<td>Use of Hendricks Public Meeting Room for monthly general meeting</td>
<td>$390</td>
</tr>
<tr>
<td>North Olympic Timber Action Committee</td>
<td>Use of Commission Meeting room</td>
<td>$50</td>
</tr>
</tbody>
</table>
## EXPERTS ENGAGED IN LITIGATION
### AWARDED BY THE EXECUTIVE DIRECTOR
(In Accordance with Delegation of Authority)
May 2019

<table>
<thead>
<tr>
<th>EXPERT</th>
<th>DESCRIPTION OF WORK</th>
<th>ESTIMATED COST</th>
<th>OTHER CONTRACT PROVISIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barnes &amp; Thornburg LLP</td>
<td>Mediation Engagement Agreement</td>
<td>Each of the Parties’ share is $25,000</td>
<td>Confidential, non-binding mediation process</td>
</tr>
<tr>
<td>STAFF</td>
<td>LOCATION OF MTG.</td>
<td>DATE(S)</td>
<td>PURPOSE</td>
</tr>
<tr>
<td>--------------</td>
<td>------------------</td>
<td>---------------</td>
<td>----------------------------------------------</td>
</tr>
<tr>
<td>Renee Turcotte</td>
<td>Long Beach, CA</td>
<td>05/13/19 – 05/18/19</td>
<td>American Payroll Association Annual Conference</td>
</tr>
</tbody>
</table>

VIII. TRAVEL OF EMPLOYEES AND OTHER AUTHORIZED REPRESENTATIVES OF THE PORT:

In order to facilitate necessary normal Port operations, the Executive Director may authorize travel by Port employees and/or other Port representatives for Port business, in accordance with the Port's travel policy adopted pursuant to RCW 53.08.176 and RCW 42.24.090. Reimbursable personal travel expenses per trip shall not exceed $5,000.00 per person.

The Commission shall be advised at the first regularly scheduled meeting of the following month of all such authorizations for travel outside of Washington, Oregon, Idaho and British Columbia, Canada.
ITEM FOR CONSIDERATION
BY THE
BOARD OF PORT COMMISSIONERS

June 11, 2019

SUBJECT: MARINE TERMINAL STORMWATER TREATMENT PROJECT
          CONTRACT ACCEPTANCE – INTERWEST CONSTRUCTION, INC.

STAFF LEAD: Chris Hartman, Director of Engineering

RCW & POLICY REQUIREMENT
According to Exhibit A, Paragraph II.C of Resolution 17-1158, Delegation of
Administrative Authority to the Executive Director, any public works contract that
exceeds $300,000 must be accepted as complete by the Port Commission.

BACKGROUND:
The Port received an Administrative Order (Docket # 12801) from the Washington State
Department of Ecology on August 3rd, 2015 for exceeding water quality discharge
benchmarks established in the Industrial Stormwater General Permit. This order
required the Port to have constructed an Ecology approved Stormwater Treatment
Facility no later than September 30, 2018.

The engineering, design and bid documents to complete the Marine Terminal
Stormwater Treatment project were completed under a Professional Service Agreement
with Kennedy / Jenks. The project was advertised for bids in the Peninsula Daily News
and the Seattle Daily Journal of Commerce on two separate dates: April 13 and 20,
2018.

The Port Commission awarded the contract to low bid Contractor Interwest
Construction, Inc. (ICI) for $2,280,075.00 plus Washington State Sales Tax (8.7%).
There were two change orders issued for this project. Change Order 01 added
additional days to the contract due to a labor strike and Change Order 02 deducted
$136,999.54 from the contract because there were a few bid items whose estimated
quantities were greater than what was actually installed and there was a contingency
budget built into the contract that was not used.

Since the total contract amount for this project does exceed $300,000, staff is seeking
Commission acceptance prior to issuing a certificate of Final Completion to the
Contractor.
ANALYSIS:
The contract was executed with ICI on May 25, 2018, and was substantially complete on October 18, 2018. The treatment facility was operational just prior to the September 30th deadline.

The project has just recently reached Final Completion as of May 20, 2019. There was an extremely long delay in the fabrication of the handrail. The handrail was installed this March, but there were corrections required for the stair rails before the Port would accept the project as complete.

FISCAL IMPACT:
The final contract amount with Interwest is $2,143,075.46 plus Washington State Sales Tax. The total fiscal impact of the project is (below numbers rounded to nearest $5,000):

- Design, Permit, Bidding = $330,000
- Treatment Pilot Testing = $25,000
- Construction Administration = $40,000
- Archaeological Monitoring = $30,000
- City of Port Angeles Electrical Extension = $30,000
- Construction = $2,330,000

Project Total = $2,785,000

RECOMMENDED ACTION:
Staff recommends the Commission accept the contract as complete with Interwest Construction, Incorporated.

The Commission’s acceptance of the contract as complete will start a 45-day waiting period before the Port can release Interwest’s 5% retainage bond along with their performance and payment bonds.

ATTACHMENT:
- Project Overview Aerial Photo
- Treatment System Diagram
ITEM FOR CONSIDERATION
BY THE
BOARD OF PORT COMMISSIONERS

June 11, 2019

SUBJECT: Port Attendance at the 2019 Marine Equipment Trade Show in Amsterdam, Netherlands

Presented by: Mike Nimmo, Maritime Manager

RCW & POLICY REQUIREMENTS

The following RCWs govern the payment of travel and promotional hosting expenses:

- RCW 42.24.090…120 Municipal corporation reimbursement of claims, use of credit cards for travel expenses and advancement for travel expenses
- RCW 53.08.175…176 Port District reimbursement for and regulation of expenses
- RCW 53.36.120…150 Port District expenditures for industrial development, trade promotion or promotional hosting

In addition to the above listed RCWs, SAO memorandum dated 5/14/1987, IRS publication 15-B and BARS Manual section 3.8.2 (employee travel) provide further guidance on the taxation and payment of travel expenses.

Per the Port’s Delegation of Authority (Resolution 19-1191, section VIII) the Executive Director may authorize employee travel in accordance with the Port’s travel policy and must advise the Commission as part of the monthly reporting on all travel outside of Washington, Oregon, Idaho and British Columbia, Canada.

Per the Port’s Travel Policy (Resolution 18-1171), employee travel in excess of $5,000 per individual must be approved in advance by the Commission. Commission travel outside of Washington, Oregon and British Columbia, Canada must be approved in advance by the Port Commission.

Per Port Resolution 14-1084, Port Commissioners and certain employees (Executive Director, Department Directors, Managers, and others as re-delegated) are authorized for promotional hosting. Promotional hosting expenditures exceeding $2,500.00 require prior Port Commission approval. For a Port Commissioner to incur promotional hosting expenses it requires specific authorization by the Port Commission.

BACKGROUND:

Port staff and commissioners continue to identify and attend key conferences and trade shows in an effort to market our maritime facilities and support our local marine trade customers with their marketing efforts. Up to four shows and conferences are proposed in the 2019 Business Development Budget including the Marine Equipment Trade Show (METS).

The Marine Equipment Trade Show (METS) is touted to be the world’s largest trade fair for boats and marine equipment. The show will be held in Amsterdam Nov. 19-21 2019. Last year’s show was attended by 26,000 people from 116 countries and 1500 exhibitors.
The Port has the opportunity to partner with the U.S. Super Yacht Association (USSA). The Port is a recent member of the USSA and would receive the following benefits as a Pavilion Partner:

As a USSA Pavilion Partner:  $ 4,500

- Company name and/or logo on signage prominently featured in the stand all the three days of show
- Home-base for the show duration complete with storage for marketing materials and personal items
- 1 Credential to the show for all 3 days
- Name and/or logo included on all event promotions eblasts, advertising and distributed information.
- Opportunity to place promo material in a designated area of the stand
- Free Wi-Fi
- Daily Meals (Light breakfast, lunch, hors d’oeuvres, refreshments)
- Daily networking opportunities
- Access to meeting area (on a space available basis)
- Reception - Wednesday - Unlimited invites for your customers
- Name and/or logo included on the USSA website
- Name and/or logo included on the USSA social media campaign

**ANALYSIS:**
The opportunity to share space in the USSA pavilion at METS at a reasonable cost allows the Port to market the development of the Marine Trades Industrial Park to a wide variety of potential users. Through our efforts thus far, several connections have been developed that we will continue to nurture during our attendance at METS. We may engage some contacts on a consulting basis to gain access to certain private events and meetings to further enhance our effectiveness for this trip.

While the expenditure per any one employee will not exceed $5,000 and therefore authorization of employee travel for Mike Nimmo, Maritime Manager, is within the authority of the Executive Director, it has been the practice of the Port to discuss international trips with the Port Commission. The Port Commission will need to authorize Port Commissioner travel as well as promotional hosting authority for this trip.

**ENVIRONMENTAL IMPACT:**
None

**FISCAL IMPACT:**
This trip was anticipated and cited in the 2019 Business Development Budget Narrative. The METS event was budgeted for attendance by the Maritime Manager and one other attendee. Total estimated costs for travel expenses is $8,500 and include lodging, transportation and meals for 2 attendees, as well as the USSA Booth and Exhibition costs. We are still researching possible consulting opportunities and costs to increase the number of maritime connections for this event.

**RECOMMENDED ACTION:**
Authorize travel to Amsterdam, Netherlands for Commissioner Burke for the purpose of attending the 2019 Marine Equipment Trade Show on November 19 through November 21st, 2019.

Additionally, authorize Commissioner Burke to incur promotional hosting expenditures related to this event.
ITEM FOR CONSIDERATION
FOR THE
BOARD OF PORT COMMISSIONERS

June 11, 2019

SUBJECT: Castaways Land Lease Extension

Presented by: John Nutter, Director of Property, Marinas & Airports

Location: 1213 Marine Drive, Port Angeles WA 98363

RCW & POLICY REQUIREMENTS

RCW 53.08.080 allows Port Districts to lease real and personal property for such purposes and upon such terms as the Port Commission deems proper.

Per Section I of the Port’s Delegation of Administrative Authority to the Executive Director, all term lease agreements or use agreements of real or personal property shall be leased only under an appropriate written lease instrument executed by the Commission. Per Section 1.B.1 Commission Approval is required for any lease with a term in excess of one year and per section 1.B.4 Commission approval is required for any lease that contains any material non-standard terms or conditions.

Per Section I.F.3 of the Port’s Delegation of Administrative Authority, Option to Renew: The Executive Director may execute a lease renewal except in the following circumstances:

a. The renewal term will exceed the renewal term contemplated in the lease previously approved by the Commission; or
b. Such renewal will require modification of a material term or condition of the lease, the modification of which was not contemplated in the lease previously approved by the Commission.

BACKGROUND:

On February 10th, 1997 the Port entered into a land lease agreement with Satenda and Susanne Maharaj for the land occupied by the Castaway’s restaurant at 1213 Marine Drive. The original 5-year lease had three (3) optional 5-year lease extensions.

On April 25th, 2000, an amendment was signed granting a total of six (6) five-year options to renew.

On December 14th, 2001, the first of six options was exercised.

On April 1st, 2007, the second of six options was exercised.
On March 12th, 2012, the third of six options was exercised and the lease was transferred to Martin Gault with Commission approval.

The fourth of six options was available and notice to exercise that option should have been received by the Port on or before January 31st 2017. However, Mr. Gault did not provide written notice and due to Port staff turnover, it is unclear what communication did or did not occur around that time frame. Mr. Gault does not maintain an email account and communication with him has typically been by telephone or in person.

The original lease calls for the lease rate to be adjusted each 5 years and states: “Said negotiations shall take place after the Port gives to the Lessee written notice of the Port’s election to renegotiate the rent applicable to the forthcoming rent period.” Staff has been unable to find record of any such notice being given to Mr. Gault in 2017.

In early 2019 Port staff notified Mr. Gault that his lease had not been renewed in a timely manner and was at risk of being terminated if the situation was not addressed. Mr. Gault responded and stated that his desire and intent was to renew the lease as provided in the lease for the 5-year term from February 1st, 2017 to January 31st, 2022. Mr. Gault also offered to increase his lease rate by 20% to account for market rate changes that have occurred since the last renewal.

Because the 4th lease extension was not exercised in a timely manner, the lease technically defaulted to a month-to-month lease subject to renegotiation. While staff would like to grant the lease extension in accordance with the original terms of the lease, the Executive Director does not have the authority to sign the requested extension because the change from month-to-month back to a term lease could be considered a material change. Such a renewal would require Commission approval.

**LEASE RENEWAL DETAILS:**

**Location:** 1213 Marine Drive

**Square Feet:** 5,900 square feet

**Monthly Payments before Leasehold Excise Tax:**

- 02/10/1997 = $129.58 for 3600 SF or 3.6 cents per SF
- 12/14/2001 = $167.50 for 3600 SF or 4.7 cents per SF
- 04/01/2007 = $193.00 for 3600 SF or 5.4 cents per SF
- 03/22/2012 = $322.00 for 5900 SF or 5.5 cents per SF
- Proposed = $386.00 for 5900 SF or 6.5 cents per SF

**Proposed Renewal Term:** February 1, 2017 through January 31, 2022. If renewed again on February 1, 2022 another market rate adjustment would be negotiated.
Proposed New Lease Amendment Language: Section 13 Indemnification and Liability Insurance requirements have been updated to current standard Port terms.

Bond/Security: No change, full year of lease payments required via an assigned account or performance bond.

ENVIRONMENTAL IMPACT: None

RECOMMENDED ACTION: Staff requests the Commission authorize the Executive Director to execute the fourth lease extension with Martin Gault per the conditions of the original lease as modified during previous amendments and the amendment terms as presented.
ITEM FOR CONSIDERATION
FOR THE
BOARD OF PORT COMMISSIONERS

Date: June 11, 2019

SUBJECT: New Lease for Dockside Grill

Presented by: John Nutter, Director of Real Estate, Marinas and Airport

Location: 2577 West Sequim Bay Road

RCW & POLICY REQUIREMENTS
Per RCW 53.08.08 Lease of Property, a district may lease all lands, wharves, docks and real and personal property upon such terms as the port commission deems proper. No lease shall be for a period longer than fifty years with option up to an additional thirty years.

Per RCW 53.08.085, security for rent is required for every lease of more than one year. Rent may be secured by rental insurance, bond, or other security satisfactory to the port commission, in an amount equal to one-sixth the total rent, but in no case shall such security be less than one year's rent or more three years' rent. If the security is not maintained the lease shall be considered in default. The port commission may in its discretion waive the rent security requirement or lower the amount of such requirement on the lease of real and/or personal port property.

Per Section I of the Ports Delegation of Authority, all term lease agreements or use agreements of real or personal property shall be leased only under an appropriate written lease instrument executed by the Commission. Per Section 1.B.1 Commission Approval is required for any lease with a term in excess of one year and per section 1.B.4 Commission approval is required for any lease that contains any material non-standard terms or conditions.

BACKGROUND:
• Tenant since August of 2007.
• 2007 Initial Lease: Term for five years commencing on August 1, 2007 and terminating July 31, 2012 with one (1) five-year option. This option was never exercised, and the lease was in holdover until a new lease was negotiated commencing November 1, 2014.
• 2014 Current Lease: term for five years with two (2) five-year tenant exclusive options.
  o Commenced November 1, 2014 with initial end date October 31, 2019.
  o Two (2) five-year options extending lease to October 31, 2029.
  o $2,296.87/month before LET with annual CPI.
**NEW LEASE DETAILS:**

Tenant requested a new full lease term of 10 years with two (2) five-year renewals with Port consent.

**Location:** John Wayne Marina

**Commencement Date:** November 1, 2019

**Square Feet:**

<table>
<thead>
<tr>
<th>Lease Area</th>
<th>SF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Dining Area</td>
<td>586</td>
</tr>
<tr>
<td>Dining Deck Area (now enclosed)</td>
<td>242</td>
</tr>
<tr>
<td>Pelican Room (additional dining/bar)</td>
<td>371</td>
</tr>
<tr>
<td>Kitchen</td>
<td>513</td>
</tr>
<tr>
<td>Storage space</td>
<td>440</td>
</tr>
<tr>
<td><strong>Total SF</strong></td>
<td><strong>2,152</strong></td>
</tr>
</tbody>
</table>

**Monthly Payments:** $2,302.64/month before LET @ $1.07/sf

**Escalation:** Annual CPI

**Term:**
- Initial: 10-year term with initial end date October 31, 2029.
- Renewal: Two (2) five-year options to renew with Port consent. Potential to extend lease to October 31, 2039.

**Common Area Maintenance (CAM):**

<table>
<thead>
<tr>
<th>CAM CHARGES (flat monthly charge)</th>
<th>$100.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Port will bill Lessee for CAM charges monthly for maintenance of the hallway between Lessee's kitchen and Pelican Room and for restrooms. See Section 3.2.</td>
<td></td>
</tr>
</tbody>
</table>
Utilities:

<table>
<thead>
<tr>
<th>Utilities for Dockside Grill</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ELECTRIC</strong></td>
</tr>
<tr>
<td>Actual Charge from Meter Reading</td>
</tr>
<tr>
<td>Port Staff will retrieve Pelican Room submeter readings monthly. Port will bill lessee monthly. Lessee will pay PUD directly for all other electrical use.</td>
</tr>
<tr>
<td><strong>SEPTIC</strong></td>
</tr>
<tr>
<td>5.25%</td>
</tr>
<tr>
<td>Port will bill Lessee semi-annually 5.25% of total John Wayne Marina pump-out fees.</td>
</tr>
<tr>
<td><strong>WATER</strong></td>
</tr>
<tr>
<td>5.25%</td>
</tr>
<tr>
<td>Port will bill Lessee annually 5.25% of the John Wayne Marina water bill.</td>
</tr>
<tr>
<td><strong>SANITATION</strong></td>
</tr>
<tr>
<td>Rate per service/tenant's responsibility</td>
</tr>
<tr>
<td>Lessee’s charge for sanitation services will reflect the current inclusive rate for weekly pickup of 1 (one) 4-cubic yard garbage dumpster and 1 (one) 2-cubic yard cardboard recycle, including applicable taxes and fees, billed monthly by the Port, until Lessor reconstructs a sanitation receptacle enclosure to be used by the Lessee at which time the Lessee will establish garbage and recycling accounts with local providers and use of Port sanitation containers will be prohibited.</td>
</tr>
</tbody>
</table>

Tenant Improvements: None

Bond/Security: $35,391.95 representing 100% of the annual lease rate, estimated utilities, CAM charges and including applicable Leasehold Excise Tax.

<table>
<thead>
<tr>
<th>Applicable Bond Components</th>
<th>Required Bond Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Rent</td>
<td>$2,302.64</td>
</tr>
<tr>
<td>LET</td>
<td>$295.66</td>
</tr>
<tr>
<td>Estimated Water, Septic, Pelican Room Electric, &amp; Fixed CAM</td>
<td>$351.03</td>
</tr>
<tr>
<td></td>
<td><strong>Monthly Total</strong></td>
</tr>
<tr>
<td></td>
<td>$2,949.33</td>
</tr>
<tr>
<td>Annual Rent, LET, Utilities, CAM =</td>
<td><strong>$35,391.95</strong></td>
</tr>
</tbody>
</table>

Non-Standard (requires Commission approval) or Unique Terms: None

Recent Port purchased upgrades to the Premises:
- Cooler/Freezer replacement
- Air Supply Fan Repair

Other Special Considerations: None
Open Items: None

ENVIRONMENTAL IMPACT:
None

FISCAL IMPACT OF THE LEASE:
Annual Revenue is $27,631.68.

RECOMMENDED ACTION:
On a motion and second, authorize the Executive Director to sign a lease with Dockside Grill, per the terms and conditions as stated.
Future Agenda Items –Commission Meeting
6/11/19 Commission Meeting

June 25, 2019 (Regular Commission Meeting)
- Note: Commissioner Burke is unavailable June 18-30
- Alliant Discussion re Property Insurance Renewals

July 9, 2019 (Regular Commission Meeting)

September 24, 2019 (Regular Commission Meeting)
- Commissioner McAleer unable to attend

Upcoming Events/Announcements
- August 7-8, 2019 - WEDA Conference

Future
- Port Angeles Waterfront Center Presentation
- Investment Policy
- Sea Scouts
- Governance: Employee Handbook and Resolutions
- Port Emergency Response Plans and Activities

Future Joint Meetings
- 2019 Clallam County
  - July 29, 2019 from 11:00am to 2:00pm at Port
  - October 28, 2019 from 11:00am to 2:00pm at BOCC
- 2019 Other Joint Meetings
  - Clallam County EDC Executive Board
  - Cities: Port Angeles, Sequim, Forks
  - Clallam County PUD
  - Lower Elwha Klallam Tribe
  - Jamestown S’Klallam Tribe
  - Port of Port Townsend